



DEPARTMENT OF THE NAVY

BUREAU OF MEDICINE AND SURGERY
WASHINGTON, D C 20372-5120

IN REPLY REFER TO

BUMEDINST 6010.16
BUMED-411
26 Jul 91

BUMED INSTRUCTION 6010.16

From: Chief, Bureau of Medicine and Surgery

Subj: NAVCARE PROGRAM

Ref: (a) Federal Acquisition Regulation (FAR)
(b) DoD FAR Supplement (DFAR)
(c) SECNAVINST 4205.5 (NOTAL)
(d) NAVSUPINST 4205.3 (NOTAL)
(e) Master Contract Administration Plan for Health
Care Service Contracts (NOTAL)
(f) BUMEDINST 4200.2
(g) SECNAVINST 6320.23 (NOTAL)

Encl: (1) Definitions of Terms

1. Purpose. To establish responsibility, accountability, and authority within the naval Medical Department for the proper administration of the NAVCARE (Navy Cares) Program.

2. Cancellation. NAVMEDCOMINST 6010.5.

3. Background

a. In the 1984 DoD Authorization Act, Congress directed the armed services to conduct demonstration projects designed to improve access, quality, efficiency, and cost effectiveness of health services. In March 1986, the Secretary of the Navy approved establishing independent contractor-owned and operated primary care clinics. The Navy named the program NAVCARE and the first clinics opened in December 1986.

b. NAVCARE offers eligible beneficiaries convenient access to medical care in close professional support of a referral naval hospital. NAVCARE clinics are not emergency care centers, rather they provide acute and stable chronic care on a walk-in basis, emphasizing continuity of care and health risk reduction.

4. Discussion

a. Objectives of the NAVCARE Program are to:

(1) Improve convenience and accessibility to primary care services for all eligible beneficiaries.

(2) Strengthen Navy medical training programs through NAVCARE patient referrals to the referral naval hospital.



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(3) Recapture outpatient beneficiaries into a cost controlled environment, competitive with Civilian Health and Medical Program of the Uniformed Services (CHAMPUS).

b. The contracting officer (KO) will contract for and award NAVCARE contracts to successful offerors. The KO will perform, assign, and delegate the contract administration function, as defined in references (a) through (e).

c. The contracting officer's technical representative (COTR) must always have access to senior command-level personnel via the referral hospital chain of command to present issues at the appropriate level of authority. The COTR is a critical link in the communication chain. Communications must flow through the COTR to the command, the contractor, and the KO. The command must keep the COTR informed of resources, quality of care, and population issues and in turn the COTR must keep the commanding officer and KO informed on contract progress, status, and problems.

d. As required by reference (a), proprietary information and source selection information must be protected from unauthorized disclosure.

e. Terms commonly used in the NAVCARE Program are defined in enclosure (1).

5. Action

a. Bureau of Medicine and Surgery (BUMED):

(1) Assistant Chief for Resource Management (MED-01) will:

(a) Develop and track indices and reports which aid in the development of NAVCARE budgets.

(b) Budget for the NAVCARE Program.

(c) Validate BUMED manpower and financial realignments, submitted by the program manager, in support of NAVCARE initiatives.

(2) Assistant Chief for Operations (MED-03) will:

(a) Assign a program manager for overall NAVCARE program management.

(b) Develop planning documents which select future NAVCARE sites and serve to coordinate and integrate NAVCARE clinic services into BUMED's overall peacetime health care delivery system.

(c) Review and approve all new NAVCARE contracting initiatives.

(d) Monitor the progress and achievement of the NAVCARE Program within the overall health care delivery system.

(e) Provide updates to other BUMED codes and information to higher authority on NAVCARE issues.

(3) Assistant Chief for Logistics (MED-04) will:

(a) Set NAVCARE contract policy guidance.

(b) Provide input to MED-03 on the feasibility of contracting new NAVCARE initiatives.

(c) Maintain and consolidate NAVCARE statistics received from Naval Medical Logistics Command (NAVMEDLOGCOM).

(d) Oversee the technical aspects of all NAVCARE contracting efforts.

b. NAVMEDLOGCOM will:

(1) Act as the NAVCARE technical director. Ensure there is consistency among NAVCARE contracts by providing coordination and technical liaison between COTRs, BUMED, and the KO.

(2) Coordinate the development of NAVCARE technical requirements (statement of work, quality assurance plan, source selection plan, and other related documents) for contracting.

(3) Submit requests for contractual procurement (RCPs) to the contracting activity. Work with the activity to develop realistic milestones.

(4) Coordinate and conduct the technical evaluation of all proposals received in response to NAVCARE solicitations.

(5) Centrally manage funds for NAVCARE services. Issue funding documents to the contracting authority (CA) as required to maintain uninterrupted services at each clinic.

(6) Establish and manage the contract modification process. Submit requests for contract modifications to the KO based on contract ambiguities, and recommendations from BUMED activities, COTRs, the KO, or the contractors. Requests for contract modifications involving significant change in dollar amount, and services must have prior approval from MED-01 and MED-03.

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(7) Monitor and manage the contractor discrepancy report (CDR) process. Evaluate CDRs submitted by the individual COTR and recommend disposition to the KO on all noted discrepancies. Perform trend analysis on CDRs and provide written feedback to COTRs and referral naval hospitals.

(8) Collect NAVCARE-wide usage data. Analyze and interpret the data. Present status and trend analysis reports and recommendations to MED-01, MED-03, and MED-04.

(9) Provide technical assistance to COTRs, referral naval hospitals, and Naval Healthcare Support Offices (HLTHCARE SUPPOS).

(10) In coordination with the KO, conduct periodic COTR meetings to discuss status and performance under the contract which emphasize problem identification, problem solving, and contract familiarity. Distribute minutes of such meetings to all attendees.

(11) Provide initial and periodic COTR training per references (d) and (f). Provide other technical training per BUMED requirements.

(12) Ensure COTRs, referral naval hospitals, HLTHCARE SUPPOS, MED-01, MED-03, and MED-04 are appropriately informed of NAVCARE issues.

(13) Provide contract law support on NAVCARE related issues.

(14) Provide periodic statistical and financial reports concerning program operations to the program manager.

c. HLTHCARE SUPPOS will:

(1) Provide technical review and comment on all new and revised NAVCARE proposals.

(2) Assist the referral naval hospital in coordinating clinic openings when requested.

(3) Review and provide recommendations for future NAVCARE site boundaries consistent with the needs of the patient community and sensitive to area demographics.

(4) Conduct assist visits as outlined in the HLTHCARE SUPPO's command evaluation plan or as directed by higher authority. Document and report findings to the referral naval hospital or to higher authority, as appropriate.

(5) Monitor NAVCARE impact on military treatment facilities (MTFs) inpatient and outpatient workload, costs, and services. Based on findings, recommend manpower and financial realignment to BUMED.

(6) Provide technical assistance on NAVCARE issues as requested by MTFs.

d. Referral Naval Hospital. The commanding officer of the referral naval hospital will:

(1) Treat NAVCARE patient referrals in a timely manner within resource and professional capability.

(2) Allow and encourage effective, open communication between the contractor's key persons and the referral naval hospital executive staff for the exchange of professional information. Encourage contractor participation at referral naval hospital's staff meetings.

(3) Nominate to the KO a COTR and an alternate COTR (ACOTR) from within the command for each approved NAVCARE clinic contract. The KO will appoint, in writing, the COTRs and designate them in the contract as the only authorized representatives to act on the KO's behalf. Assign only one COTR and one ACOTR per contract.

(4) Organize the COTR function per reference (f).

(5) Provide adequate number and technical mix of personnel to assist COTRs in monitoring contract performance. The commanding officer must ensure the assigned personnel possess the range of technical knowledge needed to monitor the full scope of the NAVCARE medical quality assurance program, credentials review, and privileging process.

(6) Ensure that initial COTR certification training and adequate refresher training is provided. Provide all necessary instruction to the COTR and ACOTR with regard to local health care policies and procedures.

(7) Assist the COTR in the review of suspected credentialing and privileging irregularities, as requested. Provide written comments on the irregularities recommending corrective action to the COTR for submission to the KO via NAVMEDLOGCOM.

(8) Provide training for contractor employees serving as health benefit advisors (HBAs) as described in the contract.

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(9) Ensure that NAVCARE health care providers are fully aware of naval hospital requirements for referral scheduling.

(10) Coordinate ancillary and specialty care services to support NAVCARE referrals.

(11) Budget for and provide Government-furnished supplies and services consistent with the requirements of the NAVCARE contract.

(12) Develop local procedures to integrate the NAVCARE clinic as appropriate into local disaster plans, inclement weather closing alerts and safety and security programs. These procedures must not alter NAVCARE contract requirements.

(13) Ensure command-generated NAVCARE correspondence does not inappropriately reveal proprietary business information or establish NAVCARE policy.

(14) Assist the NAVCARE contractor regarding abusive patients by, if appropriate, preparation of sponsor notification letters.

e. COTRs will:

(1) Strictly adhere to the responsibilities, restrictions, and feedback procedures delineated in the appointment letter.

(2) Serve as the local focal point for the Government on technical issues which may arise during the performance of the contract.

(3) Provide technical direction or clarification and monitor contract performance.

(4) Report all observed substantive deficiencies to the KO via NAVMEDLOGCOM. Issue CDRs via NAVMEDLOGCOM to the KO, requesting corrective action.

(5) Certify invoices for payment and ensure that the necessary deductions are taken as described in the contract.

(6) Provide statistical information including routine monthly reports to NAVMEDLOGCOM.

(7) Ensure referral naval hospital commanding officers are kept informed of all NAVCARE issues.

(8) Ensure the NAVCARE workload data generated by the contractor is forwarded to the Naval Medical Data Services Center as required by the contract.

(9) Report to the KO, in a timely manner, all matters involving the administration of the contract. The COTR will ensure the care provided by the contractor adheres to the contract terms. Report any discrepancies to the KO and, if affecting the referral naval hospital, to the commanding officer for action and resolution.


D. F. HAGEN

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DEFINITIONS OF TERMS

1. Active Duty Member. Full-time duty in the active military service of the United States. It includes full-time training duty, annual training duty, and attendance, while in the active military service, at a school designated as a service school by law or by the Secretary of the Military Department concerned. It does not include full-time National Guard duty.
2. Alternate Contracting Officer's Technical Representative (ACOTR). An individual who may assist the contracting officer's technical representative (COTR) or act in the absence of the COTR.
3. Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). A health benefits program available to uniformed services families, except active duty members, that coshares the costs of outpatient and inpatient medical care not available from military medical treatment facilities (MTFs).
4. Clinical Privileges. Those elements of medical care which define the scope and limits of practice by a health care practitioner in a NAVCARE facility.
5. Contracting Authority (CA). The activity responsible for the awarding of a contract.
6. Contracting Officer (KO). An individual who has the authority to enter into, administer, or terminate contracts and make related determinations and findings.
7. Contracting Officer's Technical Representative (COTR). The Government employee appointed by the KO who functions as the technical representative of the KO in the administration of a contract. This person is responsible for ensuring contractor performance through audit, documentation, and liaison with the KO. The COTR has no authority to resolve disputes or obligate funds.
8. Contractor. That entity or representative responsible for the delivery of the services or materials specified in a contract.
9. Contractor Employee. Personnel employed by or contracted by the contractor to provide services in a contract.
10. Credentials Review and Privileging. The overall process of review and evaluation of a health care provider's professional qualifications and demonstrated current competence to determine which described clinical privileges should be granted. This

process involves the verification of credentials and observation of clinical skills, record keeping, ethics, professional decorum, and participation in staff meetings and professional committees.

11. Defense Eligibility Enrollment Reporting System (DEERS).

A congressionally-mandated program established to improve the control and distribution of available uniform service benefits, improve the protection and allocation of costs for existing and future benefits programs, and minimize the fraudulent use of benefits by unauthorized persons.

12. Eligible Beneficiaries. Those persons listed in DEERS or those persons whose eligibility has been confirmed by the MTF.

13. Health Benefits Advisor (HBA). A contractor or Government employee, designated in the contract, who advises and assists an eligible beneficiary concerning medical and dental benefits available in uniformed services facilities and under CHAMPUS. An HBA also provides information regarding the Department of Veteran's Affairs, Medicare, Medicaid, and other local health programs.

14. Health Care Practitioners. Military (active duty and Reserve) and DON civilian providers (Federal civil service, foreign national hire, contract, or partnership) required by reference (g) to be granted clinical privileges to independently diagnose, initiate, alter, or terminate health care treatment regimens. This includes physicians, dentists, nurse practitioners, nurse midwives, nurse anesthetists, clinical psychologists, optometrists, clinical dieticians, podiatrists, therapists, occupational therapists, audiologists, speech pathologists, and physician assistants. Individuals enrolled in training programs leading to qualification for clinical privileges are also considered health care practitioners, for purposes of this instruction.

15. Program Manager. Provides overall direction to the planning, development, and operation of all NAVCARE clinics.

16. Proprietary Information. Information contained in a bid or proposal; cost or pricing data; or any other information submitted to the Government by a contractor and designated as proprietary, in accordance with law or regulation, by the contractor, the head of the agency, or the contracting officer.

17. Quality Assurance (Contract). Those actions taken by the Government to check goods or services to determine if they meet the requirements of the NAVCARE contract.

18. Referral Naval Hospital. The local naval MTF named in the contract to accept NAVCARE clinic referrals.

19. Source Selection Information

a. Information determined by the head of the agency or the KO to be information which:

(1) The disclosure to a competing contractor would jeopardize the integrity or successful completion of the procurement concerned.

(2) Is required by statute, regulation, or order to be secured in a source selection file or other restricted facility to prevent such disclosure.

b. Source selection information includes information stored in electronic, magnetic, audio or video formats, which is prepared or developed for use by the Government to conduct a particular procurement.

20. Technical Director. That command, office, or person responsible for ensuring consistency among NAVCARE contracts. Provides coordination and technical liaison between COTRs and KOs.

21. Uniformed Services. The Army, Navy, Marine Corps, Air Force, Coast Guard, Commissioned Corps of the National Oceanic and Atmospheric Administration, and Commissioned Corps of the United States Public Health Service.